Procurement of Wheat by Fci And State Agencies

(in '000 tonnes)

STATE/U.T.	RMS 2003-2004			RMS 2004-2005			RMS 2005-2006		
	FCI	State agencies	Total	FCI	State agencies	Total	FCI	State agencies	Total
Haryana	818	4304	5122	880	4235	5115	617	3912	4529
Maharashtra	-	-	-	-	-	-	-	-	-
Punjab	2548	6390	8938	2147	7093	9240	1428	7582	9010
Tamil Nadu									
Uttar Pradesh	-	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	41	519	560
Chhattisgarh	-	Neg.	Neg.		Neg.	Neg.	-	-	-
Others	182	346	528	[illegible]	[illegible]	700	142	544	686
TOTAL	3548	12253	15801	3266	13529	16795	2228	12557	14785

Neg.- Below 500 tonnes.

Procurement in Chhattisgarh during RMS 2003-04 was 62 tonnes and during RMS 2004-05 was 19 tonnes.

Increasing cost of foodgrains

1083. SHRI S. ANBALAGAN: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that the economic cost of foodgrains to Food Corporation of India has been on the rise for the last several years;

(b) if so, the reasons therefor and the impact of the same on the subsidy bill; and

(c) the steps taken to reduce the economic cost of foodgrains to FCI and the results achieved therefrom during each of the last two years?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) Yes, Sir.

(b) The main reasons for increase in economic cost during last several years are increase in Minimum Support Price (MSP) of paddy and wheat and consequential increase in procurement incidentals. Due to increase

in the economic cost and freeze on the Central Issue Prices (CIPs), food subsidy bill has gone up.

(c) Some of the important initiatives along with resultant savings in cost of the FCI during 2003-04 and 2004-05 are as follows:—

(Rs. in crore)

Sl.No.	Steps taken	Savings
2003-2004		
1.	De-hiring of storage capacity	39.00
2.	Reduction of interest rate on Cash Credit from 10.95% monthly compounding to 9.35% monthly compounding for 3 months	111.00
	TOTAL	150.00
2004-2005		
1.	Reduction of interest rate on Cash Credit from 10.95% monthly compounding to 8.15% monthly compounding	767.50
2.	Saving of interest due to release of advance subsidy on quarterly basis instead of monthly basis.	112.50
3.	Issue of bonds for Rs. 4023 crores a average coupon rate of 7.14%	6.23
4.	Other fiscal measures taken for streamlining financial operations	29.30
	TOTAL	915.73

Consumer participation for regulatory reforms

1084 SHRI K.B. KRISHNA MURTHY:
SHRI SANTOSH BAGRODIA:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether all regulatory laws and arrangements recognize consumer interest but the same is not as effective as it should be due to lack of consumer advocacy; and

(b) the steps Government have taken or propose to take to improve consumer participation for effective regulatory reforms?